

Washtenaw County Act 88 Information

For additional information, contact: Verna McDaniel, County Administrator mcdaniev@ewashtenaw.org or (734) 222-6850

Background:

Since 2010, the Washtenaw County Board of Commissioners has voted to utilize the millage enabled through Public Act 88 to promote trade, promote agricultural, industrial and tourist advantages in our County and the State of Michigan.

While the Act authorizes up to 0.5 mills for these purposes, the County has purposefully limited the impact of this levy on our residents to 0.07 mills, well below the statutory limit.

Using this revenue source, the County has been able to maintain our 4-H program, attract heritage tourism visitors, create an average of 1,100 jobs each year and leverage \$16 million annually from private investment and grants.

Results of Washtenaw County's Act 88 Investments:

Enhancing the Agricultural and Industrial Advantages of the County and the State

Agriculture in Washtenaw County is one of our most important cultural and economic assets. Advertising and increasing trade in our locally grown agricultural products is accomplished in many ways. Perhaps the most important way is ensuring that our young farmers get a chance to develop their skills and market their products to local, regional, state and national audiences. With the help of Washtenaw County, we have successfully held a 4-H Youth Show every year, and in 2013, we attracted over 8,000 visitors to our region. The continued support of the County is needed, not only for this program, but to increase our trade in Michigan grown products.

Cindy Fischer, Washtenaw Farm Council Board & Lynn Rich, Washtenaw Farm Council Manager

Some may think that Washtenaw County is an urban county and therefore not concerned with agriculture. Nothing could be further from the truth. Many of us are concerned about where our food comes from and how it is prepared. The extension service, and in particular, the local 4-H program are the leading educators and suppliers of information and expertise in regards to agriculture in this county. They have been there to provide answers on soil conditions, hay quality, what pesticides we can use, gardening, foreclosure problems and more. That youth show is a time when youth can come together and show the public the fruits of their labors. That "fruit" might be an animal they have raised or trained, a science project they completed, a project they built, or a project from one of many other areas of interest. I believe in the work of extension. I have seen one of my "kids" graduate from Dennison University and go on to a career in environmental research. Another is graduating from vet school at OSU. Another is graduating from MSU and will be working for Fish and Wildlife. Those kids depended on our funding of 4-H and the youth show and we all will depend on the work that they will do in the future.

Douglas Lewis Washtenaw County 4-H Advisory Council 4-H Foundation Board MSUE Advisory Council At the Washtenaw Food Hub we have recently opened three commercial processing kitchens along the way to becoming a regional food hub and agri-tourism destination. Located in Washtenaw County on a 16 acre property, we are developing a community of food and farm businesses engaged in value-added processing and distribution of locally grown food, and also creating a demonstration site for ecological and agricultural best practices. Our vision is to be a place where local product development opens up distribution to regional and national markets and creates a destination for visitors and tourists to enjoy an authentic connection to Michigan food. Continued support from Washtenaw County in branding and network development will help us realize this vision and help to showcase the wide range of agricultural advantages of our region and the State.

Kim Bayer Project Manager, Washtenaw Food Hub

Increasing Tourism and Resorters

Attracting over 5.6 million visitors to Washtenaw County each year provides substantial economic benefits to our County and the state. One of the reasons people are visiting our region is our Heritage Tours that self-guide visitors to our rich agricultural, architectural and cultural heritage. We appreciate Washtenaw County's support in developing and marketing these tours and hope that they can receive continued funding to create additional tours, such as the Arsenal of Democracy Tour, to attract even more visitors and resorters to our region and the state of Michigan.

Mary Kerr, President
Ann Arbor Area Convention & Visitors Bureau

The Yankee Air Museum is trying to save 175,000 square feet of the former Willow Run Bomber Plant facility and turn it into a new museum, event center, aerospace building, and education center. This site is famous for its connection to Henry Ford, the production of B-24 Bombers as part of the World War II war effort, and of course, Rosie the Riveter. Washtenaw County provided us with expert technical advice and continues to support our efforts by developing a new web-based heritage tour on the Willow Run/Arsenal of Democracy, to tell these nationally-significant stories. We need their continued support!

Dennis Norton, President of the Board, Michigan Aerospace Foundation Ray Hunter, Chairman of the Board, Yankee Air Museum Kevin Walsh, Executive Director, Yankee Air Museum

Increasing the Trade of the Products of the County and the State

With the help of Washtenaw County's manufacturing gap financing loan program, Unity Vibrations went from brewing our kombucha tea and beer in our Ypsilanti home to operating a 2,400 sq. foot manufacturing facility to distribute our products in Michigan and 6 national Whole Foods Market regions. We are committed to growing Michigan products using local seasonal produce and Michigan bottling and labeling companies in our production process and employing 6 Michigan folks. Additional Canadian markets are scheduled for opening within the year. Relying on friends and crowd funding alone could not have gotten us where we are today. Thanks for the capital infusion!

Rachel Kannan, CEO Unity Vibrations, Inc.

Increasing the Trade of the Products of the County and the State, con'td.

Walbridge has been working with Ann Arbor SPARK to develop an Intelligent Transportation Systems (ITS) and Autonomous Vehicle Test Facility at the former GM Powertrain Plant in Washtenaw County. This would be a significant asset and would set the State of Michigan apart from the growing competition to capture ITS as an economic development catalyst. As a leader in this field, the State of Michigan stands to gain from new private research dollars and a pipeline of federal funding geared towards the ITS industry. This facility would create a density of both traditional automotive manufacturers & suppliers and technology companies. Intel and Cisco are already undertaking efforts to gain a better understanding of near-term ITS opportunities, and other companies like Apple & Microsoft would need to create a presence to where the technology is being developed. Direct and indirect job creation numbers for a facility of this nature could easily approach 7,000+. Simply put, this is a game changer for the State of Michigan, and we need continued support from SPARK to make this happen.

John Rakolta III

Walbridge, Executive Director/Business Development

We have a wealth of manufacturing and logistics assets in Southeast Michigan. Marketing these advantages is the cornerstone of the Detroit Region Aerotropolis business attraction efforts. Washtenaw County's funding is leveraged with other regional partners, the Business Leaders for Michigan, DTE and the Wayne County Airport Authority to market our assets to national and international conferences. These efforts have resulted in \$660M worth of new real and personal property investment, the creation of 974 new jobs and retention of over 800 jobs in 2013 alone! Increasing foreign investment and increasing the trade in Michigan products would not be possible without strong support from Washtenaw County and our regional partners.

Joe Nardone, Executive Director Detroit Region Aerotropolis

Universal Marketing Group worked with a recipient of Act 88 funds, Ann Arbor SPARK, when we decided to open an office in Ann Arbor. This decision was made, in part, due to the deep talent pool in the region. As an Ohio company, UMG absolutely required the knowledge and expertise that SPARK possesses to help us access the talent resources offered in Washtenaw County. SPARK made sure we were connected to the appropriate parties to allow us to pursue an aggressive hiring plan. To date we've hired 146 employees at our Ann Arbor location...Without (Act 88) funds, the work of the organizations that help create the vibrant regional economy may cease to exist.

Jason Birch

Universal Marketing Group (UMG), Chief Financial Officer/Partner

I understand that Ann Arbor SPARK is an annual recipient of Public Act 88 funds. SPARK was very active in helping Navitas Advanced Solutions Group (ASG) navigate our recent expansion in Pittsfield Township. The SPARK team was instrumental in helping Navitas ASG secure state & local incentives including \$1M performance-based grant that will help us build our business and achieve our goal of creating 123 well-paying jobs in the community over the next four years. Ann Arbor SPARK is very committed to supporting the continued growth of companies like Navitas ASG. I fear the elimination of Public Act 88 funds would constrict SPARK.

Les Alexander

Navitas Advanced Solutions Group, General Manager



WASHTENAW COUNTY

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April 4, 2014

Dear State Legislators

In 2013, the Washtenaw County Board of Commissioners, by a seven to one vote, reaffirmed our commitment to promote economic activity in the county, region and state by approving an Act 88 resolution to promote our agricultural, industrial and tourist advantages. As part of our decision making to adopt this funding source in 2013, and the previous years, the County Commission relied on the following key considerations:

While Washtenaw County and Michigan have experienced an economic downturn that has resulted in high unemployment rates and the loss of thousands of jobs, Act 88 provided our County the opportunity to invest much needed funding to attract economic development and promote and expand our agricultural businesses.

While the Act authorizes up to 0.5 mills for these purposes, the County has purposefully limited the impact of this levy on our residents to 0.07 mills, well below the statutory limit.

Using this fund source, the County has been able to maintain our 4-H program, attract heritage tourism visitors, create an average of 1,100 jobs each year and leverage \$16 million annually from private investment and grants. Through their actions, the Washtenaw County Board of Commissioners has supported the continuation of Act 88 as a means to continue to promote the agricultural, industrial and tourist advantages of the county, region and state.

Yousef Rabhi, Chair

Washtenaw County Board of County Commissioners

Supervisor
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Clerk
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SCOTT MARTIN



Supervisor's Office

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May 2, 2014

Representative Rick Outman S-1089 House Office Building P.O. Box 30014 Lansing, MI 48909

Dear Representative Outman:

Ypsilanti Township urges you to oppose HB 5379 and SB 0832 which would abolish local funding under Act 88 for agricultural and economic development in Michigan counties.

During the recent recession, we went through tough economic times. Our region lost over 18,000 jobs, many of which were high paying manufacturing jobs. With the assistance Washtenaw County's economic programs, we have been able to replace many of those jobs and increase trade in the products of Michigan. Company expansions like Bosal North American, an automotive component manufacturer has made a real impact in our community making a \$5M investment in land and equipment.

The attraction of new companies and investment would not have been possible without the assistance of Washtenaw County's economic development programs. These programs are funded in large part through Act 88, which is a local mechanism for generating funds to support agricultural and economic development. HB 5379 and SB 0832 would end local control and reduce opportunities for agricultural and economic development. We therefore urge you to oppose these bills to permit local governments such as Washtenaw County to continue to promote our agricultural and industrial advantages and attract new investment to our region.

Sincerely,

Brenda L. Stumbo

Lenda & Stumbe

Supervisor

bstumbo@ytown.org

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Pittsfield Charter Township

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Office of the Supervisor

Mandy Grewal Township Supervisor grewalm@pittsfield-mi.gov

> Trish Reilly Deputy Supervisor reillyt@pitsfield-mi.gov

April 24, 2014

Dear Hon. Representative Rick Outman,

On behalf of Pittsfield Township, I am writing to strongly urge you to oppose HB 5379 and SB 0832 which would abolish local funding under Act 88 for agricultural and economic development in Michigan counties.

As you know, Washtenaw County is one of the most vibrant hubs of economic growth in the State of Michigan. Furthermore, Pittsfield Township, with an assessed value of \$1.7B in 2013, has the second largest tax base in Washtenaw County.

This sort of success does not come without having partnerships such as the one Pittsfield has with Ann Arbor SPARK and other Washtenaw County economic development agencies. As a result of such regional collaborations, Pittsfield Township, over the course of the economic recession (2009-2012), did not witness any major reduction of jobs but added jobs each of the last five years while continuing to attract and grow businesses. While the average sale price of a home in Washtenaw County fell by over \$100,000 in the last five years, the decline in Pittsfield was only \$40,000.

In working with Ann Arbor SPARK, Pittsfield was able to not just retain and attract hundreds of jobs and millions in investment in the last few years but also able to provide for infill development. In particular, a large manufacturing facility that had been vacant for over a decade was occupied by THI in 2013 thereby bringing about \$3M in investment and 350 manufacturing jobs to Michigan.

The re-use of vacant manufacturing buildings and attraction of new companies and investment would not have been possible without the assistance of Washtenaw County's economic development programs. These programs are funded in large part through Act 88, which is a local mechanism for generating funds to support agricultural and economic development. HB 5379 and SB 0832 would end local control and reduce opportunities for agricultural and economic development. We therefore urge you to oppose these bills and permit local governments such as Washtenaw County to continue to promote our agricultural and industrial advantages and attract new investment to our region.

Sincerely,

Mandy Grewal, Ph. D.

Supervisor

CC: Tony VanDerworp,

Business Development for Washtenaw County Community & Economic Development